United Nations ST/AI/2002/3

Secretariat

20 March 2002

Administrative instruction

Performance Appraisal System

The Under-Secretary-General for Management, pursuant to section 4.2 of Secretary-General's bulletin ST/SGB/1997/1 and for the purpose of establishing a Performance Appraisal System pursuant to staff rule 101.3, promulgates the following:

Section 1
Scope of application

The present instruction shall apply to all staff members who hold appointments of at least one year under the 100 series of the Staff Rules, except for staff at the level of Assistant Secretary-General and above who report directly to the Secretary-General in accordance with the provisions of Secretary-General's bulletin ST/SGB/1999/18. Staff employed under the 200 or 300 series of the Staff Rules, and temporary staff employed for less than one year under the 100 series of the Staff Rules may also be appraised under the provisions of the present instruction where appropriate, taking into consideration the nature and duration of the functions and the supervisory structure in place in the work unit.

Section 2
Purpose

2.1 The purpose of the Performance Appraisal System (PAS) is to improve the delivery of programmes mandated by the General Assembly by optimizing performance at all levels. The PAS will achieve this by:

(a) Promoting the desired culture of high performance and continuous learning;

(b) Empowering managers and holding them responsible and accountable for managing and motivating their staff;

(c) Encouraging a high level of staff participation in the planning, delivery and evaluation of work;

(d) Recognizing successful performance and addressing underperformance in a fair and equitable manner.

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2.2 PAS is a management tool based on linking individual work plans with those of departments and offices and entails setting goals, planning work in advance and providing ongoing feedback. An important function of the PAS is to promote two-way communication between staff members and supervisors on the goals to be achieved and the basis on which individual performance will be assessed. PAS also encourages continuous learning, fosters teamwork, and assists in planning career development.

Section 3
Appraisal period

3.1 Except as provided in sections 3.2 to 3.4, the performance cycle shall be annual. In all departments and offices, the cycle shall begin on 1 April of each year in order to promote consistency of approach and to facilitate reporting.

3.2 When a staff member takes up new duties upon recruitment, transfer or assignment in the course of the performance year, an individual work plan shall be established, a mid-point review conducted and an appraisal made for the period between the beginning of the new duties and the end of the performance year if such period is six months or more.

3.3 When a staff member or his or her supervisor is reassigned or transferred from a department or office, or is separated from service, an appraisal shall be made for the period between the beginning of the performance year and the reassignment, transfer or separation, if such period is six months or more. If the staff member remains in the same functions but serves under successive supervisors during the year for periods of less than six months, the supervisor in functions at the end of the performance cycle shall complete the appraisal in consultation with the prior supervisors.

3.4 A staff member holding an appointment of one year or longer under the 100 series of the Staff Rules may request a special evaluation report in respect of an assignment of less than six months, including an assignment to another work unit or to a mission. Such a report should be consistent with the principles of the PAS. The report should state what was expected of the staff member and whether the staff member and the supervisor discussed it. The supervisor should appraise the performance and give an overall performance rating consistent with the rating system set out in section 10. Special evaluation reports shall be included in the official status file of the staff member concerned.

Section 4
Reporting officers and additional supervisors

4.1 A first reporting officer shall be designated for each staff member at the beginning of the cycle. The first reporting officer is responsible for:

(a) Setting the work plan with the staff member;

(b) Conducting the mid-point review and final appraisal;

(c) Providing supervision on the overall work of the staff member throughout the reporting period.

4.2 Up to two additional supervisors may be designated when the staff member works for more than one supervisor for significant amounts of time or for significant

assignments, provided such arrangements are put into place with the agreement of the first reporting officer at the work planning stage or at the beginning of the additional assignment. The additional supervisor(s) must agree at the beginning of the assignment to provide a brief comment on work performed at the end of the performance year.

4.3 The second reporting officer, who shall be the first reporting officer's supervisor, is responsible for:

(a) Ensuring that the first reporting officer understands and applies PAS principles and procedures;

(b) Holding the first reporting officer accountable for appraising staff in accordance with PAS guidelines;

(c) Providing ongoing feedback and including in the PAS of the first reporting officer an appraisal of his or her management of staff performance;

(d) Resolving disagreements between staff and the first reporting officer in the implementation of PAS.

4.4 The second reporting officer also has the broader responsibility of ensuring that PAS is consistently and fairly applied across work units by all first reporting officers who report to him or her. Fairness and consistency is required throughout the PAS cycle, when defining performance expectations, applying performance standards in ratings and commenting on performance, as well as when deciding on participation of individual staff members in staff learning and development programmes.

Section 5
Departmental and work unit plans

Prior to the beginning of the performance cycle, heads of departments and offices meet with the senior managers under their direct supervision and develop a departmental or office work plan that will be the foundation for work unit plans. Work unit plans should be developed by the head of the unit, in consultation with staff members concerned. Departmental and work unit plans may be developed on an annual or biennial basis, depending on the needs of the department or office.

Section 6
Individual plans

6.1 In the light of the departmental and work unit plans, managers meet with the staff under their direct supervision to ensure that the objectives of the work unit are understood and annual individual work plans are drawn up. Supervisors may meet with the staff in their work unit either as a group or individually.

6.2 The staff member works with the first reporting officer to devise the plan for the performance cycle and to determine the competencies that will be used to carry out the work plan. The work planning stage includes: (a) work plan; (b) competencies; and (c) planning for development, as follows:

(a) Work plan: on the basis of the departmental and work unit plans, each staff member prepares, in a timely manner, a draft work plan for discussion with the first reporting officer. The format of the work plan may vary depending on the

functions of the staff member but must include goals and/or a statement of performance expectations for the reporting period. When more than one staff member performs the same function, performance expectations may be collectively developed, while allowing for individual variations where appropriate;

(b) Competencies: the organizational competencies announced in ST/SGB/1999/15[1] define a performance standard against which all staff can be consistently and objectively evaluated. All staff members are held accountable for demonstrating the three core values of integrity, professionalism and respect for diversity/gender equality. In the discussion of the work plan, the staff member and first reporting officers select the most relevant core competencies and, where appropriate, managerial competencies. Staff with managerial or supervisory responsibilities must include managing performance among the selected competencies for the reporting period, and they will be held accountable for the effectiveness of their implementation of PAS. Specific job-related competencies may be added where appropriate;

(c) Planning for development: every staff member is expected to engage in continuous learning and to indicate at least one professional development goal to be achieved in the reporting period. For future planning, staff members may indicate other competencies and skills and their career aspirations for future assignments that could contribute to the work of the Organization but that may not be relevant to their current assignment.

Section 7
Implementation and monitoring

7.1 Heads of departments and offices are responsible for the implementation of PAS. To enhance managerial accountability at all levels, PAS implementation is included as a key indicator in the annual performance management plan between the Secretary-General and the head of department and office in order to emphasize the importance of senior management leadership in performance management. In the human resources planning meetings held by the Assistant Secretary-General for Human Resources Management with heads of departments and offices, the status of PAS implementation is reviewed and the importance of full implementation stressed in the human resources action plans.

7.2 The head of the department or office shall hold all managers and staff with supervisory responsibilities accountable for the effective use of the PAS process as a management tool, and provide advice and recommendations where warranted. This shall cover all phases of the system, including the planning stage, establishment of the work plan, required competencies and planning for development, ongoing feedback, the mid-point review and the final appraisal.

7.3 Primary responsibility for the timely execution of the PAS rests with the head of department or office for overall compliance as well as consistent and fair implementation.

7.4 Timely implementation of all aspects of the PAS and compliance with the spirit and the letter of the process, including completion of the PAS forms and development of remedial action under section 8.3 if necessary, rests with the

[1] The organizational competencies are further explained in the booklet entitled *United Nations Competencies for the Future*.

supervisor acting as the first reporting officer under section 4.1. To ensure the timeliness of completion of the PAS under section 3.3, first reporting officers must complete the PAS for all staff under their supervision prior to assuming new duties in another department or office, or prior to separating from the Organization. Separation procedures and processing of final entitlements of officials acting as first reporting officers may be delayed until the appraisals for which they are responsible are completed.

7.5 Officials acting as second reporting officers under sections 4.3 and 4.4 shall be held accountable for the fair and consistent implementation of PAS by supervisory staff acting as first reporting officers.

7.6 Non-compliance with the terms of the present instruction by the first or the second reporting officers shall be recorded in the individual PAS of the officer concerned.

Section 8
Mid-point performance review

8.1 In the middle of each performance year, the first reporting officer reviews with each staff member the manner in which the individual work plan has been carried out and provides performance feedback and guidance for the accomplishment of the goals and/or performance expectations set out in the work plan. At that time, the work plan may be revised if there have been significant changes in the nature of the functions carried out by the staff member, or if such revision is required to pursue revised goals of the work unit. Comments are required only in cases where there are changes in assignments or priorities, or where remedial action is proposed to improve performance.

8.2 Staff members and first reporting officers are encouraged to take the initiative to have ongoing performance discussions throughout the performance year, in addition to the mid-point performance review.

8.3 As soon as a performance shortcoming is identified, the first reporting officer should discuss the situation with the staff member and take steps to rectify the situation, such as the development of a performance improvement plan, in consultation with the staff member.

Section 9
Appraising performance

9.1 At the end of the performance year, the first reporting officer and the staff member shall meet to discuss the overall performance during the reporting period. The first reporting officer appraises the extent to which the staff member has achieved the performance expectations as agreed in the work planning phase.

9.2 Prior to the appraisal meeting between the first reporting officer and the staff member, the staff member should review the manner in which he or she has carried out the work plan defined at the beginning of the performance year. The staff member may provide a self-appraisal as a basis for the discussion. The self-appraisal should provide a brief summary of the major accomplishments, and may include additional work activities, such as participation on a task force or focal point for a project. The staff member may also comment on the supervision received during the performance year.

9.3 To reflect a fuller range of performance, feedback from other supervisors for whom the staff member has worked for significant amounts of time or for significant assignments is possible, provided the requirements of section 4.2 have been met.

9.4 Appraisals are reviewed by the second reporting officer, who may make comments, as appropriate. Finalized appraisals are signed by the first reporting officer, the second reporting officer and the staff member. The staff member's signature is an acknowledgement that the appraisal has been received, and is without prejudice to the right of the staff member to initiate a rebuttal process in accordance with section 14.

Section 10
Rating system

10.1 Staff who have met or exceeded performance expectations should be given one of the following three ratings:

- Fully successful performance;
- Frequently exceeds performance expectations;
- Consistently exceeds performance expectations.

10.2 These three ratings establish full satisfaction with the work performed and shall be so viewed when staff members having received those ratings are considered for renewal of a fixed-term appointment or selection for a post at the same or a higher level, without prejudice to the principle that such decisions remain within the discretionary authority of the Secretary-General.

10.3 Staff who have not fully met performance expectations should be given one of the following two ratings:

- Partially meets performance expectations;
- Does not meet performance expectations.

10.4 These two ratings indicate the existence of shortcomings or development needs, which may call for a specific remedial plan. A rating of "partially meets performance expectations" may justify the withholding of a within-grade increment, particularly if the same rating is given for a second consecutive year, as further clarified in section 16.5.

10.5 A rating of "does not meet performance expectations" may lead to a number of administrative actions, such as transfer to a different post or function, the withholding of a within-grade increment as further clarified in section 16.6, the non-renewal of a fixed-term contract or termination for unsatisfactory service.

Section 11
Management Review Committee

11.1 A Management Review Committee shall be established in each department or office by the head of the department or office who will serve as the Chairperson of the Committee. The members of the Committee, who shall be appointed by the head of the department or office, will normally be the senior managers of that department or office.

11.2 It is the responsibility of the head of the department or office to achieve the purpose of the PAS set out in section 2 by ensuring that the PAS is fully implemented, promoting communication between staff members and supervisors, including establishment of performance goals and expectations, ongoing feedback and teamwork. The Management Review Committee shall assist the head of department or office in ensuring the consistency of all phases of the process of PAS implementation at the departmental or office level, and in reaching the PAS goals in the annual performance management plan between the Secretary-General and individual heads of department and office as referred to in section 7.1.

11.3 In order to discharge its responsibilities, the Management Review Committee shall provide leadership and guidance to ensure:

(a) Linkage between the individual work plans, unit work plans and the department or office work plan established in accordance with section 5.1;

(b) Establishment of performance standards for the department or office prior to the beginning of the performance cycle;

(c) Ongoing performance dialogue between staff members and first reporting officers and any designated additional supervisor(s);

(d) Consistent and fair performance appraisal throughout the department or office. To that effect, the Management Review Committee should give guidance to first reporting officers prior to individual appraisal discussions;

(e) Recognition of successful performance and addressing underperformance;

(f) Development of a culture of continuous learning and improvement in the department or office.

11.4 The Management Review Committee reviews staff development and career support needs in the light of strategic human resources management issues for the department or office, and provides input for the yearly departmental human resources action plan, as well as for other human resources mechanisms and systems, such as the recruitment, mobility and promotion system.

11.5 The head of department or office should report to the Office of Human Resources Management on compliance, including rating distribution, no later than 30 June of each year. The Executive Office or Personnel Office for the department or office should ensure that completed, individual PAS records appear in the Integrated Management Information System and are included in the staff member's official status file.

Section 12
Joint Monitoring Committee

12.1 A Joint Monitoring Committee shall be established in each department or office. The members of the Committee shall be appointed by the head of department or office and shall consist of two members nominated by management, two members nominated by the staff from the department or office in accordance with local practice and a chairperson nominated by the head of the department or office in consultation with the staff. Each member shall serve for a two-year renewable term.

12.2 The Joint Monitoring Committee shall monitor and review the implementation of the PAS by the department or office concerned with respect to timeliness of the process, compliance with its procedures and overall results. It shall work with the department or office to support the institutionalization of the PAS, as indicated in section 2, in that department or office. The head of department or office shall provide the Committee with the statistical information necessary to conduct this review as soon as the final appraisal data has been compiled.

12.3 While the mandate of the Committee does not include consideration of individual cases, individual staff members may agree that their cases shall be considered in the context of a discussion of broader issues of general impact. The Committee shall draw the attention of the Management Review Committee to any problems it perceives in the implementation of the PAS and may propose possible solutions.

12.4 The Joint Monitoring Committee shall meet three times a year, namely, at the performance planning stage, immediately after the mid-point review and at the appraisal stage at the end of the performance year. It shall prepare a monitoring and compliance report that reviews each of those stages. The reports concerning the performance planning stage and the mid-point review shall be submitted to the Management Review Committee through the head of the department or office. The report concerning the appraisal at the end of the performance year shall be submitted to the Global Joint Monitoring Committee (see sect. 13 below) no later than 31 July of each year. That report shall include a consolidation of the first two reports, a compliance review of the end-of-year appraisals and an overall summary of the PAS implementation process in the department or office for that year.

Section 13
Global Joint Monitoring Committee

13.1 The Global Joint Monitoring Committee shall be a subsidiary body of the Staff-Management Coordination Committee. The Global Joint Monitoring Committee shall be composed of two members nominated by management, two nominated by the staff and a chairperson appointed after staff consultation by the President of the Staff-Management Coordination Committee. Each member shall serve for a one-year renewable term.

13.2 The Global Joint Monitoring Committee shall examine policy issues involved in PAS implementation. It shall review the reports submitted by Joint Monitoring Committees and prepare an annual report on the implementation of the PAS in the various departments and offices. That report shall include recommendations on the implementation and overall effectiveness of the PAS and shall be submitted to the Secretary-General through the Staff-Management Coordination Committee.

13.3 The Global Joint Monitoring Committee shall meet once a year, immediately prior to the annual meeting of the Staff-Management Coordination Committee, which will review the report of the Global Joint Monitoring Committee and transmit it to the Secretary-General.

Section 14
Rebuttal panels

14.1 In consultation with the staff representatives of the department or office concerned, the head of the department or office, or his or her representative, shall draw up a list of rebuttal panel members composed of three groups of staff members from the department or office concerned, in equal numbers. The list shall be composed as follows:

(a) Rebuttal panel members designated by the head of the department or office;

(b) Rebuttal panel members designated by the staff of the department or office in accordance with local practice;

(c) Rebuttal panel chairpersons, selected by the head of the department or office after consultation with the staff representatives of that department or office.

The approved list, subdivided as indicated above, shall normally comprise nine individuals in all for large departments or offices, six for smaller departments or offices. However, if a department or office determines that a larger membership pool is needed, it may expand the membership by adding one or more members in each of the groups specified above. Every effort shall be made to obtain an appropriate geographical and gender balance, where possible. The head of the department or office shall inform the staff in writing of the composition of the approved list.

14.2 Rebuttal panel members shall serve for a two-year term. In the event that a member of the rebuttal panel is assigned to functions outside the department or office concerned, he or she shall be replaced in accordance with the procedure relevant to the group to which the rebuttal panel member belongs.

14.3 In small offices where it may be difficult to constitute a list from the staff members of that office, the approved list may include staff members from other Secretariat offices at the same duty station, provided those staff members have the knowledge and experience required to review the appraisal and its rating.

Section 15
Rebuttal process

15.1 Staff members who disagree with the performance rating given at the end of the performance year may, within 30 days of signing the completed performance appraisal form, submit to their Executive Office at Headquarters, or to the Chief of Administration elsewhere, a written rebuttal statement setting forth briefly the specific reasons why a higher rating should have been given. Staff members having received the rating of "consistently exceeds performance expectations" may not initiate a rebuttal. The rebuttal statement shall contain the names of the three individuals, one from each of the three groups identified in section 14.1, whom the staff member has selected to serve on the rebuttal panel. A copy of the rebuttal statement shall be placed in the staff member's official status file.

15.2 After receiving a copy of the rebuttal statement, the head of department or office, or his or her representative, shall promptly prepare and submit to the rebuttal panel a brief written statement in reply to the rebuttal statement submitted by the staff member. A copy of the reply to the rebuttal statement shall be given to the staff member and placed in his or her official status file. Unless geographical location

makes it impractical, the panel shall hear the staff member, the first and second reporting officers and, at the discretion of the panel, other staff members who may have information relevant to the review of the appraisal rating.

15.3 The rebuttal panels shall prepare with maximum dispatch a brief report setting forth the reasons why the original appraisal rating should or should not be maintained. The report of the rebuttal panel shall be placed in the staff member's official status file as an attachment to the PAS. The performance rating resulting from the rebuttal process shall be binding on the head of the department or office and on the staff member concerned, subject to the ultimate authority of the Secretary-General as Chief Administrative Officer of the Organization, who may review the matter as needed on the basis of the record. Any change in the final rating, and the date of the decision, shall be marked by the executive or administrative office on the final appraisal section of the PAS form, with annotation that the rating was changed as a result of a PAS rebuttal.

15.4 The rating resulting from an appraisal that has not been rebutted, or from the rebuttal process, shall not be subject to further appeal. However, administrative decisions that stem from any final performance appraisal and that affect the conditions of service of a staff member may be appealed.

Section 16
Performance Appraisal System and salary increments

16.1 Under staff rule 103.8 (a), the granting of salary increments is subject to the satisfactory performance and conduct of staff members as evaluated by their supervisors, unless otherwise decided by the Secretary-General in any particular case. The determination that service is satisfactory in respect of performance and the procedures for withholding a salary increment when such a determination cannot be made are governed by the provisions of this section.

16.2 The basis for the decision to award or withhold a salary increment on the basis of performance shall be the record of performance of the staff member as documented by the PAS.

16.3 The following ratings as specified in section 10.1 shall justify a determination that awarding a salary increment is warranted:

- Fully successful performance;
- Frequently exceeds performance expectations;
- Consistently exceeds performance expectations.

16.4 One annual rating of "partially meets performance expectations" may justify the withholding of a salary increment, provided it is documented that, during the corresponding performance year, a performance improvement plan was put into place, in accordance with section 8.3, but that the staff member's performance failed to rise to a level that would justify a rating of "fully successful performance".

16.5 Two consecutive annual ratings of "partially meets performance expectations" shall normally lead to the withholding of a salary increment.

16.6 One rating of "does not meet performance expectations" shall normally lead to the withholding of a salary increment.

16.7 The decision whether to grant or withhold a salary increment shall be taken by the second reporting officer, on the recommendation of the first reporting officer based on the staff member's most recent PAS. The decision to withhold a salary increment shall be communicated to the staff member in writing, before the Executive Office implements the decision, with a copy to the Office of Human Resources Management, or to the local personnel office. Should the PAS rating on the basis of which a salary increment has been withheld be upgraded at a later stage as a result of the rebuttal process described under section 15, and should the new rating justify the award of the salary increment, that increment shall be awarded and made effective as from the date on which it would have otherwise been paid.

16.8 The decision to withhold an increment on the basis of a PAS rating is not subject to review by a rebuttal panel, which deals only with performance ratings, but may be appealed in accordance with chapter XI of the Staff Rules.

Section 17
Performance Appraisal System forms and guidelines

17.1 The Office of Human Resources Management shall make available PAS forms and guidelines, which shall be available from the relevant executive or personnel office of the department or office concerned.

17.2 The PAS guidelines are intended solely for general guidance and information. Should there be any inconsistency between the guidelines and the text of the present instruction, the provisions of the instruction shall prevail.

Section 18
Entry into force and transitory provisions

18.1 The present instruction shall enter into force on 1 April 2002.

18.2 The instruction will be implemented progressively throughout the Secretariat. For the performance period from 1 April 2002 to 31 March 2003, departments and offices may elect to apply the present instruction or retain the prior PAS governed by ST/AI/1999/14, as amended by ST/AI/2001/10.

18.3 All departments and offices shall apply the present instruction as of 1 April 2003.

18.4 Administrative instructions ST/AI/1999/14 of 17 November 1999 and ST/AI/2001/10 of 31 December 2001 shall be abolished as of 31 March 2003.

(*Signed*) Joseph E. **Connor**
Under-Secretary-General for Management